

1-1 By: Shapiro S.B. No. 1788  
1-2 (In the Senate - Filed March 9, 2007; March 21, 2007, read  
1-3 first time and referred to Committee on Education; April 24, 2007,  
1-4 reported adversely, with favorable Committee Substitute by the  
1-5 following vote: Yeas 6, Nays 0; April 24, 2007, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 1788 By: Shapiro

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the creation and operation of a state virtual school  
1-10 network to provide education to students through electronic means.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subtitle F, Title 2, Education Code, is amended  
1-13 by adding Chapter 30A to read as follows:

1-14 CHAPTER 30A. STATE VIRTUAL SCHOOL NETWORK

1-15 SUBCHAPTER A. GENERAL PROVISIONS

1-16 Sec. 30A.001. DEFINITIONS. In this chapter:

1-17 (1) "Administering authority" means the entity  
1-18 designated under Section 30A.053 to administer the state virtual  
1-19 school network.

1-20 (2) "Board" means the State Board of Education.

1-21 (3) "Course" means a course of study that meets the  
1-22 requirements of Section 30A.104.

1-23 (4) "Electronic course" means a course in which:

1-24 (A) instruction and content are delivered  
1-25 primarily over the Internet;

1-26 (B) a student and teacher are in different  
1-27 locations for a majority of the student's instructional period;

1-28 (C) most instructional activities take place in  
1-29 an online environment;

1-30 (D) the online instructional activities are  
1-31 integral to the academic program;

1-32 (E) extensive communication between a student  
1-33 and a teacher and among students is emphasized; and

1-34 (F) a student is not required to be located on the  
1-35 physical premises of a school district or open-enrollment charter  
1-36 school.

1-37 (5) "Electronic diagnostic assessment" means a  
1-38 formative or instructional assessment used in conjunction with an  
1-39 electronic course to ensure that:

1-40 (A) a teacher of an electronic course has  
1-41 information related to a student's academic performance in that  
1-42 course; and

1-43 (B) a student enrolled in an electronic course  
1-44 makes documented progress in mastering the content of the course.

1-45 (6) "Electronic professional development course"  
1-46 means a professional development course in which instruction and  
1-47 content are delivered primarily over the Internet.

1-48 (7) "Provider school district or school" means:

1-49 (A) a school district or open-enrollment charter  
1-50 school that provides an electronic course through the state virtual  
1-51 school network to:

1-52 (i) students enrolled in that district or  
1-53 school; or

1-54 (ii) students enrolled in another school  
1-55 district or school; or

1-56 (B) a public or private institution of higher  
1-57 education that provides a course through the state virtual school  
1-58 network.

1-59 (8) "Public or private institution of higher  
1-60 education" means:

1-61 (A) an institution of higher education, as  
1-62 defined by Section 61.003; or

1-63 (B) a private or independent institution of

2-1 higher education, as defined by Section 61.003.

2-2 Sec. 30A.002. STUDENT ELIGIBILITY. (a) A student is  
2-3 eligible to enroll in a course provided through the state virtual  
2-4 school network only if the student:

2-5 (1) is younger than 21 years of age on September 1 of  
2-6 the school year;

2-7 (2) has not graduated from high school; and

2-8 (3) is otherwise eligible to enroll in a public school  
2-9 in this state.

2-10 (b) A student is eligible to enroll full-time in courses  
2-11 provided through the state virtual school network only if:

2-12 (1) the student was enrolled in a public school in this  
2-13 state in the preceding school year; or

2-14 (2) the student:

2-15 (A) is a dependent of a member of the United  
2-16 States military;

2-17 (B) was previously enrolled in high school in  
2-18 this state; and

2-19 (C) does not reside in this state due to a  
2-20 military deployment or transfer.

2-21 Sec. 30A.003. PROVISION OF COMPUTER EQUIPMENT OR INTERNET  
2-22 SERVICE. This chapter does not:

2-23 (1) require a school district, an open-enrollment  
2-24 charter school, a provider school district or school, or the state  
2-25 to provide a student with home computer equipment or Internet  
2-26 access for a course provided through the state virtual school  
2-27 network; or

2-28 (2) prohibit a school district or open-enrollment  
2-29 charter school from providing a student with home computer  
2-30 equipment or Internet access for a course provided through the  
2-31 state virtual school network.

2-32 Sec. 30A.004. APPLICABILITY OF CHAPTER. (a) Except as  
2-33 provided by Subsection (c), this chapter does not affect the  
2-34 provision of a course to a student while the student is located on  
2-35 the physical premises of a school district or open-enrollment  
2-36 charter school.

2-37 (b) This chapter does not affect the provision of distance  
2-38 learning courses offered under other law.

2-39 (c) A school district or open-enrollment charter school may  
2-40 choose to participate in providing an electronic course or an  
2-41 electronic diagnostic assessment under this chapter to a student  
2-42 who is located on the physical premises of a school district or  
2-43 open-enrollment charter school.

2-44 Sec. 30A.005. TELECOMMUNICATIONS OR INFORMATION SERVICES  
2-45 NETWORK NOT CREATED. This chapter does not create or authorize the  
2-46 creation of a telecommunications or information services network.

2-47 [Sections 30A.006-30A.050 reserved for expansion]

2-48 SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

2-49 Sec. 30A.051. GOVERNANCE OF NETWORK. (a) The commissioner  
2-50 shall:

2-51 (1) administer the state virtual school network; and

2-52 (2) ensure:

2-53 (A) high-quality education for students in this  
2-54 state who are being educated through electronic courses provided  
2-55 through the state virtual school network; and

2-56 (B) equitable access by students to those  
2-57 courses.

2-58 (b) The commissioner may adopt rules necessary to implement  
2-59 this chapter.

2-60 (c) To the extent practicable, the commissioner shall  
2-61 solicit advice from school districts concerning:

2-62 (1) administration of the state virtual school  
2-63 network; and

2-64 (2) adoption of rules under Subsection (b).

2-65 Sec. 30A.052. GENERAL POWERS AND DUTIES OF COMMISSIONER.

2-66 (a) The commissioner shall prepare or provide for preparation of a  
2-67 biennial budget request for the state virtual school network for  
2-68 presentation to the legislature.

2-69 (b) The commissioner has exclusive jurisdiction over the

3-1 assets of the network and shall administer and spend appropriations  
3-2 made for the benefit of the network.

3-3 (c) The commissioner shall:

3-4 (1) employ a limited number of administrative  
3-5 employees in connection with the network; and

3-6 (2) contract with a regional education service center  
3-7 for the service center to operate the network.

3-8 Sec. 30A.053. DESIGNATION OF ADMINISTERING AUTHORITY. The  
3-9 commissioner shall designate an agency employee or a group of  
3-10 agency employees to act as the administering authority for the  
3-11 state virtual school network.

3-12 Sec. 30A.054. REPORTS. (a) The commissioner shall prepare  
3-13 a report for each fiscal year documenting activities of the state  
3-14 virtual school network in accordance with this chapter. Not later  
3-15 than January 31 of each year, the commissioner shall file the report  
3-16 for the preceding fiscal year with the governor, the lieutenant  
3-17 governor, and the speaker of the house of representatives.

3-18 (b) To the extent permitted under the Family Educational  
3-19 Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g):

3-20 (1) the report under Subsection (a) must include the  
3-21 results of assessment instruments administered to students  
3-22 enrolled in electronic courses under this chapter; and

3-23 (2) the commissioner shall make information relating  
3-24 to the performance of students enrolled in electronic courses under  
3-25 this chapter available to school districts, open-enrollment  
3-26 charter schools, and the public.

3-27 (c) The commissioner shall investigate alternative models  
3-28 for funding the operation of the state virtual school network and  
3-29 for student attendance in electronic courses provided through the  
3-30 network. Not later than December 1, 2008, the commissioner shall  
3-31 submit a report to each member of the legislature that recommends:

3-32 (1) alternative funding models for the state virtual  
3-33 school network to:

3-34 (A) ensure the quality of electronic courses  
3-35 provided through the network;

3-36 (B) increase access through the network to more  
3-37 courses;

3-38 (C) enable more students to take courses through  
3-39 the network;

3-40 (D) sustain the network's operations; and

3-41 (E) increase the network's ability to  
3-42 accommodate greater numbers of students and provide greater numbers  
3-43 of courses; and

3-44 (2) a system of indicators that would allow for  
3-45 comparison of the quality of different provider school districts'  
3-46 and schools' electronic courses for the same course, including  
3-47 comparison of:

3-48 (A) student performance in the electronic  
3-49 courses;

3-50 (B) the success of the electronic courses in  
3-51 preparing students for postsecondary education;

3-52 (C) student performance on applicable state  
3-53 assessment instruments; and

3-54 (D) other indicators as determined by the  
3-55 commissioner.

3-56 (d) Subsection (c) and this subsection expire January 15,  
3-57 2009.

3-58 Sec. 30A.055. LIMITATIONS ON ADMINISTERING AUTHORITY  
3-59 POWERS. The administering authority may not provide educational  
3-60 services directly to a student.

3-61 Sec. 30A.056. CONTRACTS WITH VIRTUAL SCHOOL SERVICE  
3-62 PROVIDERS. (a) Each contract between a school district, an  
3-63 open-enrollment charter school, or a public or private institution  
3-64 of higher education and the administering authority must:

3-65 (1) provide that the administering authority may  
3-66 cancel the contract without penalty if legislative authorization  
3-67 for the district, school, or institution to offer an electronic  
3-68 course through the state virtual school network is revoked; and

3-69 (2) be submitted to the commissioner.

4-1 (b) A contract submitted under this section is public  
4-2 information for purposes of Chapter 552, Government Code.

4-3 [Sections 30A.057-30A.100 reserved for expansion]

4-4 SUBCHAPTER C. PROVISION OF ELECTRONIC COURSES

4-5 Sec. 30A.101. ELIGIBILITY TO ACT AS PROVIDER SCHOOL  
4-6 DISTRICT OR SCHOOL. (a) A school district is eligible to act as a  
4-7 provider school district under this chapter only if the district is  
4-8 rated academically acceptable or higher under Section 39.072.

4-9 (b) An open-enrollment charter school is eligible to act as  
4-10 a provider school under this chapter only if the school is rated  
4-11 recognized or higher under Section 39.072, and may serve as a  
4-12 provider school only:

4-13 (1) to a student within the school district in which  
4-14 the school is located or within its service area, whichever is  
4-15 smaller; or

4-16 (2) to another student in the state through an  
4-17 agreement with the administering authority under Section 30A.153.

4-18 Sec. 30A.102. LISTING OF ELECTRONIC COURSES. (a) The  
4-19 administering authority shall:

4-20 (1) publish the criteria required by Section 30A.103  
4-21 for electronic courses that may be offered through the state  
4-22 virtual school network;

4-23 (2) using the criteria required by Section 30A.103,  
4-24 evaluate electronic courses submitted by a provider school district  
4-25 or school to be offered through the network;

4-26 (3) create a list of electronic courses approved by  
4-27 the administering authority; and

4-28 (4) provide public access to the list of approved  
4-29 electronic courses offered through the network and a detailed  
4-30 description of the courses that complies with Section 30A.108.

4-31 (b) To ensure that a full range of electronic courses,  
4-32 including advanced placement courses, are offered to students in  
4-33 this state, the administering authority:

4-34 (1) shall create a list of those subjects and courses  
4-35 designated by the board under Subchapter A, Chapter 28, for which  
4-36 the board has identified essential knowledge and skills or for  
4-37 which the board has designated content requirements under  
4-38 Subchapter A, Chapter 28;

4-39 (2) shall enter into agreements with school districts,  
4-40 open-enrollment charter schools, and public or private  
4-41 institutions of higher education for the purpose of offering the  
4-42 courses through the state virtual school network; and

4-43 (3) may develop or authorize the development of  
4-44 additional electronic courses that:

4-45 (A) are needed to complete high school graduation  
4-46 requirements; and

4-47 (B) are not otherwise available through the state  
4-48 virtual school network.

4-49 Sec. 30A.103. CRITERIA FOR ELECTRONIC COURSES. (a) The  
4-50 board by rule shall establish an objective standard criteria for an  
4-51 electronic course to ensure alignment with the essential knowledge  
4-52 and skills requirements identified or content requirements  
4-53 established under Subchapter A, Chapter 28. The criteria may not  
4-54 permit the administering authority to prohibit provider school  
4-55 districts or schools from applying for approval for an electronic  
4-56 course for a course for which essential knowledge and skills have  
4-57 been identified.

4-58 (b) The criteria must be consistent with Section 30A.104 and  
4-59 may not include any requirements that are developmentally  
4-60 inappropriate for students.

4-61 (c) The commissioner by rule may:

4-62 (1) establish additional quality-related criteria for  
4-63 electronic courses; and

4-64 (2) provide for a period of public comment regarding  
4-65 the criteria.

4-66 (d) The criteria must be in place at least six months before  
4-67 the administering authority uses the criteria in evaluating an  
4-68 electronic course under Section 30A.105.

4-69 Sec. 30A.104. COURSE ELIGIBILITY IN GENERAL. A course

5-1 offered through the state virtual school network must:

5-2 (1) be in a specific subject that is part of the  
5-3 required curriculum under Section 28.002(a);

5-4 (2) be aligned with the essential knowledge and skills  
5-5 identified under Section 28.002(c); and

5-6 (3) be the equivalent in instructional rigor and scope  
5-7 to a course that is provided in a traditional classroom setting  
5-8 during:

5-9 (A) a semester of 90 instructional days; and

5-10 (B) a school day that meets the minimum length of  
5-11 a school day required under Section 25.082.

5-12 Sec. 30A.105. APPROVAL OF ELECTRONIC COURSES. (a) The  
5-13 administering authority shall:

5-14 (1) establish a schedule for an annual submission and  
5-15 approval process for electronic courses;

5-16 (2) evaluate electronic courses to be offered through  
5-17 the state virtual school network; and

5-18 (3) not later than August 1 of each year, approve  
5-19 electronic courses that:

5-20 (A) meet the criteria established under Section  
5-21 30A.103; and

5-22 (B) provide the minimum instructional rigor and  
5-23 scope required under Section 30A.104.

5-24 (b) The administering authority shall establish the cost of  
5-25 providing an electronic course approved under Subsection (a), which  
5-26 may not exceed \$400 per student per course or \$4,800 per full-time  
5-27 student.

5-28 (c) A school district, open-enrollment charter school, or  
5-29 public or private institution of higher education that submits an  
5-30 electronic course to the administering authority for approval must  
5-31 pay a fee in an amount established by the commissioner as sufficient  
5-32 to recover the reasonable costs to the administering authority in  
5-33 evaluating and approving electronic courses.

5-34 (d) The administering authority shall waive the fee  
5-35 required by Subsection (c) if a school district, open-enrollment  
5-36 charter school, or public or private institution of higher  
5-37 education applies for approval of an electronic course that was  
5-38 developed independently by the district, school, or institution.  
5-39 For purposes of this subsection, an electronic course is developed  
5-40 independently by a district, school, or institution if a district,  
5-41 school, or institution employee is responsible for developing  
5-42 substantially each aspect of the course, including:

5-43 (1) determining the curriculum elements to be included  
5-44 in the course;

5-45 (2) selecting any instructional materials for the  
5-46 course;

5-47 (3) determining the manner in which instruction is to  
5-48 be delivered;

5-49 (4) creating a lesson plan or similar description of  
5-50 the instructional aspects of the course;

5-51 (5) determining any special projects or assignments a  
5-52 student in the course must complete; and

5-53 (6) determining the manner in which a student's  
5-54 progress in the course will be measured.

5-55 Sec. 30A.106. APPEAL TO COMMISSIONER. (a) A provider  
5-56 school district or school may appeal to the commissioner the  
5-57 administering authority's refusal to approve an electronic course  
5-58 under Section 30A.105.

5-59 (b) If the commissioner determines that the administering  
5-60 authority's evaluation did not follow the criteria or was otherwise  
5-61 irregular, the commissioner may overrule the administering  
5-62 authority and place the course on a list of approved courses. The  
5-63 commissioner's decision under this section is final and may not be  
5-64 appealed.

5-65 Sec. 30A.107. OPTIONS FOR PROVIDERS AND STUDENTS. (a) A  
5-66 provider school district or school may offer electronic courses to:

5-67 (1) students who reside in this state; and

5-68 (2) students who reside outside this state and who  
5-69 meet the eligibility requirements under Section 30A.002(b).

6-1 (b) A student who is enrolled in a school district or  
6-2 open-enrollment charter school in this state as a full-time student  
6-3 may take one or more electronic courses through the state virtual  
6-4 school network.

6-5 (c) A student who resides in this state but who is not  
6-6 enrolled in a school district or open-enrollment charter school in  
6-7 this state as a full-time student may, subject to Section 30A.155,  
6-8 enroll in electronic courses through the state virtual school  
6-9 network. A student to whom this subsection applies:

6-10 (1) may not in any semester enroll in more than two  
6-11 electronic courses offered through the state virtual school  
6-12 network;

6-13 (2) is not considered to be a public school student;

6-14 (3) must obtain access to a course provided through  
6-15 the network through the school district or open-enrollment charter  
6-16 school attendance zone in which the student resides;

6-17 (4) is not entitled to enroll in a course offered by a  
6-18 school district or open-enrollment charter school other than an  
6-19 electronic course provided through the network; and

6-20 (5) is not entitled to any right, privilege,  
6-21 activities, or services available to a student enrolled in a public  
6-22 school, other than the right to receive the appropriate unit of  
6-23 credit for completing an electronic course.

6-24 (d) A school district or open-enrollment charter school may  
6-25 not require a student to enroll in an electronic course.

6-26 Sec. 30A.108. INFORMED CHOICE REPORTS. (a) Not later than  
6-27 a date determined by the commissioner, the administering authority  
6-28 shall create and maintain on the state virtual school network's  
6-29 Internet website an "informed choice" report as provided by  
6-30 commissioner rule.

6-31 (b) Each report under this section must describe each  
6-32 electronic course offered through the state virtual school network  
6-33 and include information such as course requirements and the school  
6-34 year calendar for the course, including any options for continued  
6-35 participation outside of the standard school year calendar.

6-36 Sec. 30A.109. COMPULSORY ATTENDANCE. The commissioner by  
6-37 rule shall adopt procedures for reporting and verifying the  
6-38 attendance of a student enrolled in an electronic course provided  
6-39 through the state virtual school network. The rules may modify the  
6-40 application of Sections 25.085, 25.086, and 25.087 for a student  
6-41 enrolled in an electronic course.

6-42 Sec. 30A.110. APPLICABILITY OF ACCOUNTABILITY  
6-43 REQUIREMENTS. (a) Chapter 39 applies to an electronic course  
6-44 offered through the state virtual school network in the same manner  
6-45 that that chapter applies to any other course offered by a school  
6-46 district or open-enrollment charter school.

6-47 (b) Each student enrolled under this chapter in an  
6-48 electronic course offered through the state virtual school network  
6-49 must take any assessment instrument under Section 39.023 that is  
6-50 administered to students who are provided instruction in the course  
6-51 material in the traditional classroom setting. The administration  
6-52 of the assessment instrument to the student enrolled in the  
6-53 electronic course must be supervised by a proctor.

6-54 (c) A school district or open-enrollment charter school  
6-55 shall report to the commissioner through the Public Education  
6-56 Information Management System (PEIMS) the results of assessment  
6-57 instruments administered to students enrolled in an electronic  
6-58 course offered through the state virtual school network separately  
6-59 from the results of assessment instruments administered to other  
6-60 students.

6-61 Sec. 30A.111. TEACHER QUALIFICATIONS. Each teacher of an  
6-62 electronic course offered by a school district or open-enrollment  
6-63 charter school through the state virtual school network must:

6-64 (1) be certified under Subchapter B, Chapter 21, to  
6-65 teach that course and grade level; and

6-66 (2) successfully complete the appropriate  
6-67 professional development course provided under Section 30A.112(a)  
6-68 before teaching an electronic course offered through the network.

6-69 Sec. 30A.112. EDUCATOR PROFESSIONAL DEVELOPMENT. (a) The

7-1 state virtual school network shall provide or authorize providers  
7-2 of electronic professional development courses or programs to  
7-3 provide professional development for teachers who are teaching  
7-4 electronic courses through the network.

7-5 (b) The state virtual school network may provide or  
7-6 authorize providers of electronic professional development courses  
7-7 to provide professional development for:

7-8 (1) teachers who are teaching subjects or grade levels  
7-9 for which the teachers are not certified;

7-10 (2) teachers who must become highly qualified under  
7-11 Section 1119, No Child Left Behind Act of 2001 (20 U.S.C. Section  
7-12 6319); or

7-13 (3) teachers who must become qualified under the  
7-14 Individuals with Disabilities Education Act (20 U.S.C. Section 1400  
7-15 et seq.).

7-16 Sec. 30A.113. CRITERIA FOR ELECTRONIC PROFESSIONAL  
7-17 DEVELOPMENT COURSES. The commissioner by rule shall establish  
7-18 objective standard criteria for quality of an electronic  
7-19 professional development course provided under Section 30A.112.

7-20 Sec. 30A.114. REGIONAL EDUCATION SERVICE CENTERS. The  
7-21 commissioner by rule shall allow regional education service centers  
7-22 to participate in the state virtual school network in the same  
7-23 manner as provider school districts and schools.

7-24 Sec. 30A.115. ADDITIONAL RESOURCES. The commissioner by  
7-25 rule may establish procedures for providing additional resources,  
7-26 such as an online library, to students and educators served through  
7-27 the state virtual school network. The administering authority may  
7-28 provide the additional resources only if the commissioner receives  
7-29 an appropriation, gift, or grant sufficient to pay the costs of  
7-30 providing those resources.

7-31 [Sections 30A.116-30A.150 reserved for expansion]

7-32 SUBCHAPTER D. FUNDING

7-33 Sec. 30A.151. COSTS TO BE BORNE BY STATE. (a) Except as  
7-34 authorized by Section 30A.152 or this section, the state shall pay  
7-35 the cost of operating the state virtual school network.

7-36 (b) The operating costs of the state virtual school network  
7-37 may not be charged to a school district or open-enrollment charter  
7-38 school.

7-39 (c) The costs of providing electronic professional  
7-40 development courses may be paid by state funds appropriated by the  
7-41 legislature or federal funds that may be used for that purpose.

7-42 (d) State funds received by a school district or  
7-43 open-enrollment charter school under this chapter are in addition  
7-44 to any amounts to which the district or school is entitled to  
7-45 receive or retain under Chapter 12, 41, or 42 and are not subject to  
7-46 reduction under any provision of those chapters.

7-47 (e) State funds provided in connection with the state  
7-48 virtual school network may not be used in a manner that violates  
7-49 Section 7, Article I, Texas Constitution.

7-50 Sec. 30A.152. GRANTS AND FEDERAL FUNDS. (a) The  
7-51 commissioner may accept a grant for purposes of this chapter from a  
7-52 public or private person and shall use those funds in accordance  
7-53 with the commissioner's duties regarding the state virtual school  
7-54 network.

7-55 (b) The commissioner may accept federal funds for purposes  
7-56 of this chapter and shall use those funds in compliance with  
7-57 applicable federal law, regulations, and guidelines.

7-58 Sec. 30A.153. ALLOCATION OF FUNDS FOR STUDENTS ENROLLED IN  
7-59 SCHOOL DISTRICTS AND OPEN-ENROLLMENT CHARTER SCHOOLS. (a) A  
7-60 school district or open-enrollment charter school in which a  
7-61 student is enrolled is entitled to receive state and local funding  
7-62 for a student enrolled in an electronic course offered through the  
7-63 state virtual school network in an amount equal to the cost of  
7-64 providing the electronic course, as established by commissioner  
7-65 rule, plus 20 percent.

7-66 (b) As determined by the commissioner for each approved  
7-67 course, a school district or open-enrollment charter school may  
7-68 receive payment for a student enrolled in an electronic course  
7-69 based on the student's:

8-1 (1) successful progress on or completion of modules of  
8-2 the course; or

8-3 (2) successful completion of a course.

8-4 (c) A provider school district or school, the school  
8-5 district or open-enrollment charter school in which a student is  
8-6 enrolled, and the administering authority shall enter into an  
8-7 agreement related to the payment of the cost of a student's  
8-8 enrollment in an electronic course. The payment to a provider  
8-9 school district or school under this subsection may not exceed the  
8-10 cost of providing the electronic course, as established by  
8-11 commissioner rule.

8-12 (d) The agreement under Subsection (c) must:

8-13 (1) permit the school district or open-enrollment  
8-14 charter school in which the student is enrolled as a full-time  
8-15 student to retain, for the district's or school's administrative  
8-16 costs, an amount not to exceed 20 percent of the amount of funds the  
8-17 district or school receives under Subsection (a) in connection with  
8-18 the student; and

8-19 (2) identify the services each school district or  
8-20 open-enrollment charter school is required to provide to the  
8-21 student.

8-22 (e) The administering authority, with the approval of the  
8-23 commissioner, shall adopt a standard agreement under Subsection (c)  
8-24 that governs payment of funds and other matters relating to a  
8-25 student's enrollment in an electronic course offered through the  
8-26 state virtual school network. Each school district or  
8-27 open-enrollment charter school participating in the state virtual  
8-28 school network shall use the standard agreement as provided by  
8-29 Subsection (c) unless:

8-30 (1) the district or school requests from the  
8-31 commissioner permission to modify the standard agreement; and

8-32 (2) the commissioner authorizes the modification.

8-33 Sec. 30A.154. FUNDING FOR ACCELERATED STUDENTS. (a) A  
8-34 school district or open-enrollment charter school may apply for  
8-35 additional funding for an accelerated student who is enrolled in  
8-36 more than the course load taken by a student in the equivalent grade  
8-37 level in other school districts or open-enrollment charter schools.

8-38 (b) The commissioner by rule shall set a limit on the total  
8-39 amount of funding for which an accelerated student is eligible.

8-40 (c) The legislature in the General Appropriations Act may  
8-41 limit the amount of funding and the number of courses eligible for  
8-42 funding under this section.

8-43 Sec. 30A.155. FEES. (a) A school district or  
8-44 open-enrollment charter school may charge a fee for enrollment in  
8-45 an electronic course provided through the state virtual school  
8-46 network to a student who resides in this state and:

8-47 (1) is enrolled in a school district or  
8-48 open-enrollment charter school as a full-time student;

8-49 (2) is enrolled in a course load greater than that  
8-50 normally taken by students in the equivalent grade level in other  
8-51 school districts or open-enrollment charter schools; and

8-52 (3) does not qualify for accelerated student funding  
8-53 under Section 30A.154.

8-54 (b) A school district or open-enrollment charter school  
8-55 shall charge a fee for enrollment in an electronic course provided  
8-56 through the state virtual school network to a student who resides in  
8-57 this state and is not enrolled in a school district or  
8-58 open-enrollment charter school as a full-time student.

8-59 (c) The amount of a fee charged a student under Subsection  
8-60 (a) or (b) for each electronic course in which the student enrolls  
8-61 through the state virtual school network may not exceed the lesser  
8-62 of:

8-63 (1) the cost of providing the course; or

8-64 (2) \$400.

8-65 (d) Except as provided by Subsection (a) or (b), the state  
8-66 virtual school network may not charge a fee to students for  
8-67 electronic courses provided through the network.

8-68 SECTION 2. Chapter 26, Education Code, is amended by adding  
8-69 Section 26.0031 to read as follows:

9-1 Sec. 26.0031. RIGHTS CONCERNING STATE VIRTUAL SCHOOL  
9-2 NETWORK. (a) At the time and in the manner that a school district  
9-3 or open-enrollment charter school informs students and parents  
9-4 about courses that are offered in the district's or school's  
9-5 traditional classroom setting, the district or school shall notify  
9-6 parents and students of the option to enroll in an electronic course  
9-7 offered through the state virtual school network under Chapter 30A.

9-8 (b) A school district or open-enrollment charter school in  
9-9 which a student is enrolled as a full-time student may not  
9-10 unreasonably deny the request of a parent of a student to enroll the  
9-11 student in an electronic course offered through the state virtual  
9-12 school network under Chapter 30A.

9-13 (c) For purposes of Subsection (b), a school district or  
9-14 open-enrollment charter school is not considered to have  
9-15 unreasonably denied a request to enroll a student in an electronic  
9-16 course if:

9-17 (1) the district or school can demonstrate that the  
9-18 course does not meet state standards or standards of the district or  
9-19 school that are of equivalent rigor as the district's or school's  
9-20 standards for the same course provided in a traditional classroom  
9-21 setting;

9-22 (2) a student attempts to enroll in a course load that:  
9-23 (A) is inconsistent with the student's high  
9-24 school graduation plan; or

9-25 (B) could reasonably be expected to negatively  
9-26 affect the student's performance on an assessment instrument  
9-27 administered under Section 39.023; or

9-28 (3) the student requests permission to enroll in an  
9-29 electronic course at a time that is not consistent with the  
9-30 enrollment period established by the school district or  
9-31 open-enrollment charter school providing the course.

9-32 (d) Notwithstanding Subsection (c)(3), a school district or  
9-33 open-enrollment charter school that provides an electronic course  
9-34 through the state virtual school network under Chapter 30A shall  
9-35 make all reasonable efforts to accommodate the enrollment of a  
9-36 student in the course under special circumstances.

9-37 (e) A parent may appeal to the commissioner a school  
9-38 district's or open-enrollment charter school's decision to deny a  
9-39 request to enroll a student in an electronic course offered through  
9-40 the state virtual school network. The commissioner's decision  
9-41 under this subsection is final and may not be appealed.

9-42 SECTION 3. (a) Subject to Subsection (b) of this section,  
9-43 the commissioner of education shall ensure that the state virtual  
9-44 school network under Chapter 30A, Education Code, as added by this  
9-45 Act, begins operations in a manner that allows students to enroll in  
9-46 electronic courses offered through the network beginning with the  
9-47 2008-2009 school year.

9-48 (b) The state virtual school network under Chapter 30A,  
9-49 Education Code, as added by this Act, shall provide electronic  
9-50 courses as follows:

9-51 (1) for the 2008-2009 school year, the network shall  
9-52 provide electronic courses for grades 9, 10, 11, and 12 only;

9-53 (2) for the 2009-2010 school year, the network shall  
9-54 provide electronic courses for the grades identified in Subdivision  
9-55 (1) of this subsection and grades six, seven, and eight only; and

9-56 (3) for the 2010-2011 and subsequent school years, the  
9-57 network shall provide electronic courses for all grades.

9-58 SECTION 4. This Act takes effect September 1, 2007.

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